

Artificial Intelligence (AI) Policy & Governance Framework

HZL/POL/AI/002

1. Purpose

Hindustan Zinc Limited (HZL) recognizes Artificial Intelligence (AI) as a transformative technology that can enhance innovation, operational excellence, sustainability, safety, and productivity across its businesses.

This Policy outlines HZL's commitment to the responsible, ethical, secure, and transparent use of AI technologies while safeguarding human rights, privacy, data protection, and regulatory compliance.

2. Objective

The objective of this Policy is to enable the responsible adoption of AI technologies to drive innovation, enhance manufacturing efficiency, improve productivity and quality, and strengthen workplace safety. It further ensures alignment with organisational values while mitigating risks and upholding ethical, legal, and regulatory obligations.

3. Our Commitment

HZL is committed to ensuring that AI technologies are developed, deployed, and used in a manner that:

- Creates value for employees, customers, communities, business partners, and stakeholders.
- Supports innovation and operational excellence.
- Respects human rights and dignity.
- Protects privacy and confidential information.
- Promotes fairness, transparency, and accountability.
- Operates within applicable legal and regulatory requirements.
- Maintains appropriate human oversight and responsibility.

4. Scope & Coverage

This Policy applies to:

- **All stakeholders** including employees, contractors, vendors, partners, and third parties across HZL.
- **All AI systems and technologies**, including Generative AI, Agentic AI, Machine Learning, and related solutions.
- **All AI components**, including models, tools, algorithms, datasets, large language models (LLMs), and AI-driven automated systems.

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Artificial Intelligence (AI) Policy & Governance Framework

HZL/POL/AI/002

- The **entire AI lifecycle**, covering design, data acquisition, development, validation, deployment, monitoring, and decommissioning.

5. Governance and Oversight

HZL maintains appropriate governance frameworks and oversight mechanisms to support the responsible adoption and use of AI technologies.

The organization periodically reviews AI-related risks, opportunities, regulatory developments, and evolving industry practices to ensure continued responsible use of AI.

6. Guiding Principles

All AI initiatives under this Policy shall adhere to the following principles:

6.1 Human-Centric Approach

AI is intended to augment human capabilities and decision-making rather than replace human accountability. Appropriate human oversight shall be maintained for critical decisions and activities.

6.2 Fairness and Non-Discrimination

HZL is committed to minimizing bias and promoting fair outcomes. AI systems should not be used in ways that result in unlawful discrimination or unfair treatment of individuals or groups.

6.3 Transparency

Where appropriate, HZL will seek to ensure transparency regarding the use of AI and will promote clear understanding of how AI-supported decisions and recommendations are utilized.

6.4 Accountability

HZL remains accountable for the deployment and use of AI technologies within its operations. Appropriate governance, oversight, and review mechanisms are established to support responsible AI adoption.

4.5 Privacy and Data Protection

AI systems must respect privacy rights and comply with applicable data protection and privacy laws. Personal, confidential, and proprietary information shall be handled responsibly and protected through appropriate safeguards.

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HZL/POL/AI/002

4.6 Security and Resilience

HZL is committed to protecting AI systems and associated information from unauthorized access, misuse, manipulation, and cyber threats through appropriate security practices.

4.7 Safety and Reliability

AI solutions shall be designed and operated to support safe, reliable, and trustworthy outcomes. Appropriate controls and monitoring shall be maintained, particularly where AI may impact operational processes, safety, or critical business activities.

4.8 Regulatory Compliance

HZL is committed to complying with applicable laws, regulations, industry standards, and ethical requirements relating to the development and use of AI technologies.

4.9 Sustainability

HZL encourages the responsible use of AI to improve operational efficiency, resource utilization, environmental performance, and sustainable business practices.

9. Third-Party AI Solutions

HZL expects suppliers, technology partners, service providers, and other third parties providing AI-enabled products or services to demonstrate responsible AI practices, including appropriate attention to security, privacy, ethics, transparency, and regulatory compliance.

10. Awareness & Capability Building

HZL promotes awareness and education regarding responsible AI use and encourages continuous learning to help employees understand both the opportunities and risks associated with AI technologies.

11. Permitted Uses of AI

HZL may use AI technologies to support a broad range of business activities, including:

- Operational efficiency and process optimization.
- Predictive maintenance and asset management.
- Quality assurance and process improvement.
- Supply chain optimization and forecasting.
- Workplace safety enhancement.

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HZL/POL/AI/002

- Data analytics and business intelligence.
- Research, innovation, and process simulation.
- Enterprise productivity and knowledge management.
- Customer and employee experience improvement.

All AI applications are expected to align with HZL's values, ethical standards, and applicable laws with the low ecological footprint supporting HZL Sustainability Objectives.

12. Prohibited Uses of AI

HZL does not support the use of AI for activities that may:

- Violate applicable laws or regulations.
- Infringe privacy, confidentiality, or intellectual property rights.
- Promote discrimination, harassment, or unfair treatment.
- Generate knowingly false, deceptive, or misleading information.
- Cause harm to individuals, communities, or the environment.
- Circumvent established governance, safety, or ethical requirements.
- Manipulate individuals, exploit vulnerabilities, enable social scoring, or conduct unauthorised biometric surveillance.

13. Continuous Improvement

AI technologies, regulations, and industry expectations continue to evolve. HZL is committed to periodically reviewing and enhancing its AI governance practices to align with emerging standards, technological developments, and stakeholder expectations.

Note: To ensure responsible and compliant use of AI, HZL maintains a comprehensive AI Policy covering governance, risk management, ethics, security, and regulatory compliance. A detailed copy of the policy may be provided upon request.

Amarendu Prakash



Chief Executive Officer

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